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Realtors hail state budget projects to improve communities' quality of life

OLYMPIA, WA – Washington Gov. Chris Gregoire has signed new biennial transportation and building spending plans that include top priorities of the Washington Realtors, the state's largest professional organization.

The 2007-09 capital budget (HB 1092) includes \$4.2 billion in building projects that will improve schools and colleges, parks, and housing. The state's 2007-09 transportation budget (HB 1094) spends \$7.5 billion to put hundreds of road projects back on schedule and cover huge cost overruns.

"The state is investing in the backbone of our communities by improving the roads and buildings we depend upon for health, education, and prosperity," said Steve Francks, Washington Realtors Chief Executive Officer. "These wise investments will help position our state to meet the demands of population growth we face over the next few years."

In spite of the progress in funding critical infrastructure needs, however, Francks said the Legislature let down middle-class families by failing to address the state's home-price crisis. Over the last five years home prices have risen more than 60 percent all over the state, while wages increased only about 14 percent. The resulting gap has created an affordability crunch of historic proportions, according to the Center for Real Estate Research at Washington State University.

Median-income families unable to find homes near work choose instead to commute to find an affordable home, which adds to the congestion on already-crowded state highways. The increase in commuters also contributes to air and water quality issues around the state. This bumper-to-bumper solution to housing problems doesn't really save families much money, however. According to a recent study by the National Housing Conference, for every dollar a working family saves on housing, it spends 77 cents more on transportation.

“The Legislature had a chance to make a real difference for working families and our quality of life, but allowed inter-chamber bickering to kill common-sense solutions,” said Francks of HB 1727, which the House had approved by a vote of 97 – 0. The bill also had earned the approval of the Senate Government Operations & Elections Committee. Francks said the Washington Realtors would return to the Legislature next year with the measure, the key components of which include the following:

- Ensures comprehensive plans adopted under the Growth Management Act (GMA) identify appropriately zoned land for the number of homes actually needed to accommodate projected growth.
- Allows cities and counties to use a variety of techniques to accommodate housing needs, including mixed-use development and accessory dwelling units.
- Authorizes counties and cities to work together to address housing and employment markets that cross jurisdictional boundaries.

Last year, the Washington Realtors launched a public awareness campaign to inform the public about legislative solutions for the growing problem of the lack of homes for middle-income families and the relationship between adequate housing supply, housing affordability, jobs, traffic, and the quality of life in Washington.

The Washington Realtors also made infrastructure funding a high priority during the 2007 session of the Legislature. Francks said that, in addition to benefiting education and infrastructure projects, the capital budget directs a year-long study to identify strategies to integrate and consolidate infrastructure funding sources and simplify administrative processes — a process recommended by the Washington Realtors.

“Many communities are struggling to accommodate growth because they lack the roads, sewer, and other infrastructure that has to be in place before homes and businesses can be built,” said Francks. “The budget recognizes that the state directs more than a billion dollars through hundreds of accounts for infrastructure. This study will try to identify ways to make sure all of that money is going for the purposes for which it was intended.”

Francks said the passage of the state transportation budget supports 432 road and bridge projects throughout the state. The plan covers nearly \$2 billion in construction-material cost overruns and includes about \$3 billion in new construction over the next two years.

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